

DEPARTMENT OF FINANCE BILL ANALYSIS

AMENDMENT DATE: June 29, 2010
POSITION: Oppose
SPONSOR: Californians Together

BILL NUMBER: AB 1741
AUTHOR: J. Coto
RELATED BILLS: AB 284, AB 1909,
AB 1991, AB 2320,
AB 2363, AB 2543

BILL SUMMARY: Charter Schools

This bill would authorize a chartering authority to deny a petition for the creation of a charter school if the petition does not contain a comprehensive strategy that provides for the academic, language, and cultural needs of English learners (ELs), if at least 15 percent of the charter school's students are expected to be ELs.

FISCAL SUMMARY

This bill would create state-mandated costs of at least \$50,000 Proposition 98 General Fund for local educational agencies (LEAs) and the State Board of Education, acting as chartering authorities, to take into consideration the additional petition requirements and the past history of the charter operator in regards to ELs when considering charter petitions.

This estimate assumes implementation of the bill would require 12 additional Education Program Consultant hours, over the current 160 hours estimated by the State Department of Education, per petition review (\$48/hour X 12 hours X 93 new charter schools in 2009-10 = \$53,568). However we note that this estimate does not include the number of petitions reviewed and then denied because this information is not collected at the state level, however, the cost of those reviews would be included in LEA mandate claims. Also we note that the cost of each individual review will vary based on the type of petition (new, renewal, or revocation).

COMMENTS

The Department of Finance is opposed to this bill for the following reasons:

- The bill is unnecessary. The current charter petition provisions in state law already require that a petition identify a sound and comprehensive educational program for the charter school's potential students. As a result, a charter petitioner must take into account the needs of any and all specific student populations served by the charter school. Furthermore, we note that other public schools are not subject to the requirements which would be imposed on charter schools by this bill.
- In addition, charter schools are subject to the state's school accountability requirements and a chartering authority may deny the renewal of any charter school which has failed to meet performance expectations. Therefore, it is in the charter school's best interest to meet the needs of all of their students regardless of EL or other status.
- This bill is not likely to improve the academic achievement and English fluency of ELs. The programs and courses this bill would require charter schools to implement to meet the particular academic, language and cultural needs of ELs would likely detract from and substitute for academically rigorous coursework.

Analyst/Principal (0320) N. Schweizer	Date	Program Budget Manager Jeannie Oropeza	Date
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Department Deputy Director	Date
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Governor's Office:	By:	Date:	Position Approved _____
			Position Disapproved _____

BILL ANALYSIS	Form DF-43 (Rev 03/95 Buff)
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J. Coto

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- This bill would result in charter schools treating certain pupils differently than others. English Learners of a particular language group who comprise at least 15 percent of a charter's pupils may be segregated into specialized academic, language and cultural classes and, as a result, denied access to the rigorous curriculum provided to other pupils.
- The bill would create a state reimbursable mandate for local chartering authorities to consider EL specific requirements when reviewing a petition. In addition, the bill would likely increase workload for the SDE to support any petition appeals reviewed by the SBE. It would be imprudent to create additional costs for the state during the current fiscal crisis.

A charter school is a public school that operates under a charter agreement with an authorizing agency, often the LEA in which the charter school is located. Charters schools are generally created by teachers, parents, and the community and are exempt from many of the laws that regular public schools must abide by. The chartering authority reviews the initial petition for a charter school, and any subsequent renewals, and makes a decision on the educational soundness of the charter program based on the guidance provided in statute. The chartering authority also provides guidance and oversight to approved charters and has fee authority to recoup the costs of these activities.

Charter schools receive funding for programs targeted to special populations, such as ELs, through the charter school categorical block grant which provides a set amount of funding in lieu of the charter school applying for individual categorical funding and through the Economic Impact Aid program. Charter schools have discretion over the use of categorical block grant funding.

Specifically, the bill would allow the governing board of a school district to deny a charter petition if the charter school is expected to serve a student population that is at least 15 percent ELs and the petition does not contain details of the following: (1) programs and courses that meet the academic, language, and cultural needs of ELs; (2) hiring of staff qualified to teach ELs; (3) parent outreach program; and (4) programs and staffing designed to accommodate and encourage participation of non-English speaking parents. The petition would also be required to detail any EL programs the petitioner currently implements at other charter schools.

There are a number of related bills pending in the Assembly (AB 284, AB 1909, and AB 1991), and in the Senate (AB 2320, AB 2363, and AB 2543) that would also make changes to charter school petition, renewal, and appeal processes.

Code/Department Agency or Revenue Type	SO	(Fiscal Impact by Fiscal Year)							
	LA	(Dollars in Thousands)							
	CO RV	PROP 98	FC	2010-2011	FC	2011-2012	FC	2012-2013	Fund Code
6110/Dept of Educ	LA	Yes	C	\$50	C	\$50	C	\$50	0001